

AMENDED IN SENATE APRIL 17, 2006

**SENATE BILL**

**No. 1762**

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**Introduced by Senator Figueroa**  
*(Principal coauthor: Assembly Member Levine)*  
*(Coauthor: Senator Kuehl)*

February 24, 2006

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An act to add Chapter 6 (commencing with Section 10700) to Part 2 of Division 2 of Title 2 of the Government Code, relating to international trade agreements.

LEGISLATIVE COUNSEL'S DIGEST

SB 1762, as amended, Figueroa. International trade agreements: ~~Joint Legislative Committee on International Trade Policy and State Legislation.~~

Existing law provides for various activities with respect to international trade on behalf of businesses in the state.

This bill would ~~establish the Joint Legislative Committee on International Trade Policy and State Legislation to serve, among other specified duties, as the Legislature's official liaison with the United States Government, the Governor of California, and the office of the California Attorney General on trade-related matters. This bill would~~ also prohibit any state official, including the Governor, from binding the state, or giving consent to the federal government to bind the state, to the provisions of a proposed international trade agreement, as defined, unless a statute that expressly authorizes that official to bind the state, or give consent to bind the state, is enacted. The bill would also make related legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 6 (commencing with Section 10700) is added to Part 2 of Division 2 of Title 2 of the Government Code, to read:

CHAPTER 6. INTERNATIONAL TRADE AGREEMENTS

10700. The Legislature finds and declares all of the following:

(a) *The expansion of international trade and investment is important for the overall growth of California's economy.*

(b) *There are serious implications for California's businesses and workforce, as well as the environment and consumers, in the international legal and economic community.*

~~(a)~~

(c) The federal government negotiates international trade agreements without providing an opportunity for state officials, who are concerned with the implications that those agreements may have for state laws and state lawmaking authority, to review those agreements.

~~(b)~~

(d) The federal government has failed to consult with state legislators when it seeks the consent of the states to be bound by the government procurement provisions of international trade agreements.

~~(e)~~

(e) Government procurement and other provisions contained in international trade agreements may affect the ability of this state to enact laws relating to common economic development and environmental policies, such as "buy local" laws, recycled content laws, and renewable energy purchasing requirements. Some state measures intended to achieve important economic development or environmental objectives may conflict with the state's obligations under one or more international trade agreements and may, therefore, be challenged as potential barriers to trade.

~~(d)~~

(f) The California Constitution grants exclusive authority to the Legislature to create the laws of this state, and the executive

1 branch has authority to implement them. Since consenting to the  
2 procurement rules and provisions of international trade  
3 agreements may negatively affect the California state  
4 procurement laws and policies enacted by the Legislature, the  
5 Legislature should be able to decide whether to consent to those  
6 procurement rules and provisions. The authority to bind the state  
7 to government procurement provisions of international trade  
8 agreements is not within the authority of the executive branch.

9 ~~10701. (a) The Joint Legislative Committee on International~~  
10 ~~Trade Policy and State Legislation is hereby created.~~

11 ~~(b) The Joint Legislative Committee on International Trade~~  
12 ~~Policy and State Legislation shall do all of the following:~~

13 ~~(1) Serve as the Legislature's official liaison with the United~~  
14 ~~States Government, the Governor of California, and the~~  
15 ~~California Attorney General on trade-related matters.~~

16 ~~(2) On behalf of the Legislature, communicate with the office~~  
17 ~~of the Governor and the office of the California Attorney General~~  
18 ~~regarding investment, procurement, services, or other provisions~~  
19 ~~of international trade agreements.~~

20 ~~(3) Serve as the designated recipient of all copies of federal~~  
21 ~~requests for consent or consultation regarding investment,~~  
22 ~~procurement, services, or other provisions of international trade~~  
23 ~~agreements that are required to be submitted by the office of the~~  
24 ~~Governor to the committee, as provided in Section 10702.~~

25 ~~(4) Distribute copies of those federal requests received from~~  
26 ~~the office of the Governor to all appropriate legislative~~  
27 ~~committees.~~

28 ~~(5) On a regular basis, inform members of the Legislature~~  
29 ~~about ongoing trade negotiations and dispute settlement~~  
30 ~~proceedings that may affect the State of California.~~

31 ~~(6) Communicate the interests and concerns of the Legislature~~  
32 ~~regarding ongoing and proposed trade negotiations to the United~~  
33 ~~States Trade Representative, the office of the Governor, the~~  
34 ~~Attorney General and the California Congressional Delegation.~~

35 ~~(7) Notify the United States Trade Representative, the office~~  
36 ~~of the Governor, the Attorney General and the California~~  
37 ~~Congressional Delegation of any legislative action related to~~  
38 ~~trade.~~

39 ~~(e) The Joint Legislative Committee on International Trade~~  
40 ~~Policy and State Legislation may meet, act, and conduct its~~

1 ~~business at any place within this state during the sessions of the~~  
2 ~~Legislature or any recess, and in the interim period between~~  
3 ~~sessions.~~

4 ~~10702. The office of the Governor shall submit to the Joint~~  
5 ~~Legislative Committee on International Trade Policy and State~~  
6 ~~Legislation copies of any request by the federal government for~~  
7 ~~consent or consultation regarding investment, procurement,~~  
8 ~~services, or other provisions of international trade agreements.~~

9 ~~10703.~~

10 10701. (a) A state official, including the Governor, shall not  
11 bind the state, or give consent to the federal government to bind  
12 the state, to provisions of a proposed international trade  
13 agreement, including, but not limited to, any procurement  
14 provisions, unless a statute that expressly authorizes that official,  
15 including the Governor, to bind the state, or give consent to bind  
16 the state, to the provisions of that trade agreement is enacted.

17 (b) For purposes of this section, “proposed international trade  
18 agreement” means a trade agreement negotiated, or is in the  
19 process of being negotiated, between the federal government and  
20 a foreign country.

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23 CORRECTIONS:

24 Digest — Subject Line.  
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